Frequently Asked Questions

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Individual Retirement Accounts (IRAs)

- Do you offer IRAs?
- Do you allow options trading in optionsXpress IRAs?
- How do I set up an IRA with optionsXpress?
- Can I roll over an existing 401K into an optionsXpress IRA?
- How long will it to take to transfer an IRA from another firm to optionsXpress?
- How do I make a contribution to my SEP IRA?

Do you offer IRAs?
Yes. optionsXpress offers U.S. customers the ability to trade options, stocks, indexes, bonds and mutual funds in Individual Retirement Accounts. Customers may choose from a Traditional, Rollover, Roth, SEP, SIMPLE or Educational IRA (Click here to open an account).

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Do you allow options trading in optionsXpress IRAs?
Yes, we allow prudent trading of options in IRAs based on an investor's individual suitability. Trading in IRAs includes call buying, put buying, cash-secured put writing, spreads, and covered calls. Unsecured (naked) puts and naked call transactions are not permitted in IRAs.

We also reserve the right to determine what trading is suitable for an IRA. We recommend that anyone considering trading options in a retirement account read the CBOE's publication on options trading strategies in IRAs and Keoghs.

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How do I set up an IRA with optionsXpress?
Go to our website and click **Open an Account**. This link will take you through the steps to create the account. At the beginning of the application, designate the appropriate entity for the type of IRA you wish to open. Once you have completed the online process please print, sign, and mail the original documents back to us so that we may assign an account number. Please note: Some IRA types include supplemental documents that must be completed and returned with your new account application: a SEP IRA requires Form 5305-SEP, a Coverdell IRA requires Form 5305-E, and a SIMPLE IRA requires Form 5304-SIMPLE Articles I through VII.

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Can I roll over an existing 401K into an optionsXpress IRA?
If you are changing jobs or retiring, you can roll a 401k plan (403b, PSP, MPP) into an optionsXpress Traditional or Rollover IRA account. To facilitate the rollover of funds, contact the 401k plan administrator for the distribution paperwork. Your fund administrator will then distribute the funds payable to your optionsXpress IRA.

The trustee of the optionsXpress IRA will be Delaware Charter, but the plan administrator should make funds payable to optionsXpress for the benefit of (FBO) your name and mail it to us. If the